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ABSTRACT

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# NEGOTIATING IN AN ANARCHY:

# FACULTY COLLECTIVE BARGAINING AND ORGANIZATIONAL COGNITION

Robert Birnbaum
National Center for Postsecondary
Governance and Finance
Professor of Higher Education
University of Maryland, College Park

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ASHE

Texas A&M University
Department of Educational
Administration
College Station, TX 77843
(409) 845-0393

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ABSTRACT

NEGOTIATING IN AN ANARCHY:
FACULTY BARGAINING AND ORGANIZATIONAL COGNITION

Symbolic and cognitive organizational perspectives were used to analyze a case study of a complete academic bargaining cycle. The researcher, as participant-observer, was given access to all bargaining sessions, and to both union and administration caucuses. Although bargaining is often considered as rational, this case illuminated the processes and outcomes of negotiating under conditions of loose coupling and bounded rationality. Negotiations exhibited the three major characteristics of organized anarchies, and had outcomes that were more symbolic than instrumental. People bargained to get what they wanted, but they also bargained so that they wanted what they got; attitudes followed as well as preceded behavior; and although bargaining was in part goal directed, goals were also bargaining-directed. Bargaining did not affect institutional operations, but it did help participants arrive at more consistent interpretations of institutional life.

# NEGOTIATING IN AN ANARCHY:
# FACULTY BARGAINING AND ORGANIZATIONAL COGNITION

Collective bargaining is often thought of as a stylized interaction in which one party attempts to satisfy as many of its consciously defined preferences as possible, in competition with an adversary with partially competing interests. Negotiators are expected to establish goals and objectives consistent with constituency interests, to make trade-offs based upon calculations of costs and benefits, and to reach agreements that maximize pay-offs. Bargaining is in large measure a rational process, and mathematical models can be developed to suggest the distribution of outcomes that may be achieved, and the sequences of negotiations that are likely to maximize one's gains (Raiffa, 1982). Negotiators in this context are seen as "conscious decision makers who think about what they are doing and act in accord with their perceptions" (Bachrach and Lawler, 1981, p. x), and who are "calculative, methodological, and utilitarian in their approach to bargaining" (p.17).

This perspective on bargaining is compatible with traditional models of rational organizations that emphasize their goal-seeking properties (Georgiou, 1973). But alternative views identify organizations in general - and educational institutions in particular - as characterized by bounded rationality (March and Simon, 1958) and loose coupling (Weick, 1976). Under such conditions, cause and effect relationships are problematic, parties may have differing perceptions of reality, and bargainers may be subject to cognitive biases that lead them to engage in non-rational behavior (Bazerman and Neale, 1983). How do people make sense of bargaining in such "organized anarchies" (Cohen and March, 1974) where problematic goals, unclear technologies, and fluid participation in decision making challenge conventional assumptions of rationality?

Studies of collective bargaining have tended to take industrial relations or social psychological approaches, and neither has given much attention to negotiation processes (Bazerman and Neale, 1983). Even less is known about bargaining processes in colleges and universities. Rather than study bargaining as a rational and linear process in which behaviors are focused upon achieving stated objectives, it may be useful to consider how bargaining functions when the process itself is only loosely-coupled to other parts of the organization, and rationality is weak and bounded. To study negotiations in this way is to examine social cognition in organizations, and the way in which cognition is linked to action (Gioia and Sims, 1986; Bazerman and Carroll, 1990). It requires that the conception of cognition be expanded to include, not just logical and conscious processing but non-rational, schematic, and unconscious processing as well (Gioia, 1986).

This paper uses these concepts to consider the interactions between a union and an administrative bargaining team over an

eight month period as they renegotiated a contract during a period of institutional stress.

## Data Source and Methodology

During the 1981-82 academic year I served as a process consultant and mediator to the union and management leadership of a comprehensive public community college (identified here with the fictitious name of Seaport CC) as they renegotiated a faculty bargaining contract[1]. My involvement was part of a study to assess whether the interventions of a third-party neutral could help adversarial parties move towards more constructive and creative approaches to academic bargaining. A complete description of the project and its outcomes are presented elsewhere (Birnbaum, 1984).

Selection of the college for inclusion in the study was opportunistic; the college's bargaining cycle coincided with the schedule of the investigator, and both administration and faculty were willing to participate. Although the college cannot be presented as representative of other bargaining institutions, there was little about the college's program, structure, or bargaining history which would suggest that its bargaining processes were atypical. The single extraordinary event at the college that influenced the setting for negotiations was that a number of tenured faculty had been placed on lay-off status the previous year due to enrollment declines, a situation that exacerbated the adversarial quality of union-administration relationships.

Collective bargaining is generally conducted privately, and observations by external parties are rare. The study reported here can therefore be thought of as a revelatory case, "an opportunity to observe and analyze a phenomenon previously inaccessible to scientific investigation" (Yin, 1984, p. 43). As a participant-observer (McCall and Simmons, 1969), I collected data in a number of ways. This included extended, semi-structured, open-ended interviews with campus leaders both before and after the project; analysis of pre- and post-intervention campus climate data using an instrument created for this study; review of written materials including previous contracts and newspaper reports about the campus; and informal discussions with the bargaining principals and campus informants during the course of the negotiations. Most important however, was an opportunity to be present on-site at all joint bargaining conferences as well

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[1] An extended time period has elapsed between the field research and the publication of this report to minimize the possibility that it may affect the ongoing relationship between the parties. Current administration and union representatives were offered an opportunity to review and comment on this report, consistent with their agreement to participate in the research. However, the descriptions and conclusions are solely those of the author.

as at the individual caucuses of both teams, thus permitting observation of both inter- and intra-group communications. The researcher's role in this study had both positive and negative consequences. The use of multiple data sources processed through a single investigator made possible a richness of analysis; at the same time, active investigator involvement increased opportunities for research bias (Schatzman and Strauss, 1973), a problem made even more pronounced in this case by the particularly intrusive nature of the observer's involvement in an ongoing social system.

This paper reports only a portion of the content of the bargaining sessions, selected to illustrate the cognitive processes of the bargainers as well as the progress of negotiations. Data are drawn from over 18 joint bargaining sessions and a large number of individual caucuses held between the first bargaining session on December 1, and contract agreement on July 20 of the following year.

## Bargaining History

Bargaining relationships at Seaport, previously constructive and collaborative, had turned sour in recent years as enrollments and fiscal resources declined, judicial actions restricted the scope of bargaining, and a Reduction in Force (RIF) led to the lay-off of a number of tenured faculty. As the campus prepared to open renegotiations, both sides reported enemy images of each other. One campus leader said

> the administration's image of the union is that they are concerned for themselves and not concerned for the institution. The union's view of the administration is that they are manipulative, that they don't tell the truth, and that they are out to get the faculty. Of course, these are the extremes. Most people are in the middle and don't care.

Campus leaders described negotiations for the previous contract as difficult and contentious. The administration's chief bargainer then was Vice President Powers, an articulate and aggressive manager with negotiating experience. The union was represented at the table by Professor Holmes, a thoughtful and analytic faculty member who was bargaining for the first time.

At the previous negotiations the union intentionally adopted a strategy of confrontation. They purposefully harassed the administration with a large team including representatives from other campus unions, numerous demands (described by the administration as "a laundry list a hundred miles long"), and sarcastic barbs at the table by Holmes. For tactical reasons they also pressed all faculty grievances regardless of their merits. As a consequence, as one observer put it as the new round of negotiations were about to begin, "a sheer lack of respect exists on all sides. At one time, we were all one big, happy family and were on a first-name basis. Now all that has gone by the board."

For the upcoming negotiations, Holmes (now union president) wanted to move towards a more collaborative approach, and as part of this strategy had decided to appoint a small bargaining team, remove himself from the table, and name Professor Taylor as chief

negotiator. Taylor had previously negotiated for a small middle-management college group, but had not been involved with the faculty union before. He advocated a problem-solving view of bargaining in which dialogue was used to help the sides understand each other's positions, and he was a personal friend of Powers, who was again to represent the administration.

## The Bargaining Sessions

### First Session, December 1

Administrative team members arrive at the conference room one at a time. Seeing that not everyone is there, they begin to wander in and out so that different people hear different parts of the cross-talk that precedes the session. Taylor is the only union person present. Powers says he expected this to be a two-hour working session, but Taylor says he thought the meeting was only to schedule future meetings. Powers mentions that he has prepared the administrative responses to three union demands that Taylor had sent him earlier (dealing with promotions, various conditions of employment including retraining, and a two-year salary increase of 19%), but that he doesn't have them available because a secretary went to lunch before collating and stapling them. Power's list of administration demands also had not been typed and copied on time for the meeting. In a private conversation later, a union officer dismisses the administration demands as "a wish list, not much different than last time. I don't take them seriously. Last time they said them once and just dropped them."

In pre-bargaining conversations Taylor had indicated to Powers his intention of using a tape recorder at all bargaining sessions to avoid past problems of not having an accurate record. Now they casually discuss the idea. They agree not to tape all the sessions, but instead to record the wording of individual items as they are agreed to during negotiations. This is the last time the tape recorder is mentioned, and it is never used.

### Second Session, January 7

Powers and his two administrative colleagues sit across the table from Taylor, who is accompanied by one of his two union team members and by Holmes, who had previously indicated he would not participate in negotiations. Holmes leaves the session a half hour early to go to class. The third member of the union team, a representative from the state-wide faculty association, arrives a half hour after the session begins. In this session as in every one that follows, the administrative team members all wear ties (and jackets if it is not too hot), and the union members wear open shirts and slacks.

Taylor indicates that union agreements will depend on progress in the "job security" area, which the two sides understand to mean matters including faculty retraining, work load, and faculty layoffs. There is extended discussion in which both parties agree on the desirability of developing a mutually satisfactory "job security" program. But after these general comments, the

discussion abruptly ends and the parties go on to explore the area of grievance policy. The union calls a caucus during which grievance procedures are discussed, but as they return to the negotiating room they agree to propose to the administration a joint study team on faculty retraining that would allow a problem-solving approach away from the bargaining table. However, when bargaining resumes the parties return to grievances, and then move on to other matters. Neither job security issues, nor the joint study team approach, are mentioned again at this session. The session ends with the parties verbally agreeing on changes in a campus policy on "Evaluation of Educators," but the changes are not put in writing and there is no formal sign-off by the negotiators.

Third Session, January 14

The three administrators sit across the table from two faculty team members and Holmes. Holmes leaves after 45 minutes to give a final exam, and the state faculty association representative arrives a half hour after the session begins.

Taylor begins by asking for the administration's response to the faculty proposal on work load and retraining, and the discussion soon becomes side-tracked as one related issue leads to another. Although no issue is discussed that cannot logically be connected to the previous one, the cumulative effect is to move the parties further away from the original topic. The discussion becomes heated, and Powers finally suggests the establishment of a joint committee (the same proposal that the union developed but did not mention at the previous session). However, in the heat of argument the union doesn't hear the administration's proposal, and debate continues on several irrelevant matters. Powers calls a caucus at which the administration decides to broach the joint committee idea directly. They return to the meeting, and Powers proposes that each side name three persons to such a committee on retraining, arguing that "It's a joint problem, not just [the union's] problem to worry about job security." The union accepts the proposal. The parties note that one member from each team will not be available for the next scheduled bargaining session, and they agree to skip it.

Fourth Session, January 28

The session starts with Powers, Taylor, and one additional team member on each side present. Holmes and the state association representative come in 20 minutes after the session begins; the third administration member does not attend. Taylor begins by handing out and discussing additional union demands that had been mentioned at the last session.

The first such demand is to add teachers in the college's new restaurant management program to the list of faculty included in the bargaining unit. Because of their unusual workload requirements and a work week defined in hours rather than in credits, these instructors had never been legally considered as part of the bargaining unit. Administrators characterized the restaurant management program as cost-effective, headed by an

aggressive leader, and staffed by hard-working and highly accomplished professionals whose high morale contrasted with the faculty grumbling of some other programs. They viewed the program as a show-piece whose activities brought recognition to the institution. Just prior to the initiation of negotiations, for example, the college president commented enthusiastically on a newspaper picture of "the world's largest ball of popcorn" that had been prepared for a charity affair by that program. The president viewed it as an unusual effort that had brought favorable publicity to the college.

The demand for inclusion in the unit leads to extensive argumentation, almost all based on misunderstandings about the factual elements of the situation (for example, exactly how many hours a week these instructors actually work). No attempt is made to clarify these factual elements.

The union then presses their demand for "agency shop" (a provision that would require all faculty not joining the union to pay an equivalent fee). The parties leave this issue, and consider a number of other demands; their interaction consists entirely of union statements followed by administration counter-statements, with little attempt by either side to understand the position of the other. As a consequence, on several matters the parties argue from completely different factual interpretations or errors of calculation, and remain unaware of that fact.

Fifth Session, February 4

The session begins with all six members of the negotiating teams at the table, and Holmes absent. The two people asked three weeks ago to prepare the charge of the joint committee present the results of their work. In its entirety the charge reads "The Committee is to develop a college policy and procedures for retraining faculty members." Since nothing has happened in the three weeks since the committee was agreed to, the parties change their reporting date from March 1 to March 15.

Establishing the joint committee appears to be a watershed, and the parties are unsure what they should consider next. Powers suggests "Why don't we define what we still have on the table and then narrow down the issues?" For the next 15 minutes, members of both teams begin looking through documents and talking to each other to try and reach agreement on whether certain issues have been resolved or are still on the table. Everyone has their documents in a different sequence, and not everyone has all the documents. There is confusion about what is being discussed at any specific time, and people beginning arguing, for example, about the status of "item 4." Finally it becomes clear that different people are using the same numbers to refer to different items, some based on the rank order on the administration's list, others on the Roman numeral identifier in the present contract, and still others on the number assigned to them on the list of union demands. The disarray is so apparent that Powers says "Let's caucus to see if we all agree on where we are so that no one is getting screwed." The union caucus starts to review the status of demands, but soon digresses to discuss the substantive

elements of many of the proposals. One of the trade-offs they consider is to drop the restaurant management faculty issue in exchange for agency shop, a trade that they believe Powers will accept. They finally agree that it would be desirable to put all minor issues on hold until the committee report on retraining is completed.

Sixth Session, February 11

Prior to this session, the president drops into the conference room to announce excitedly that the restaurant management program has just won several awards in a butter-sculpturing contest in Italy. One of the union negotiators comments approvingly on the recognition that this would bring to the college.

Tenth Session, March 25

In lieu of a formal bargaining session, Taylor and one other union team member meet by prearrangement in Powers's office to receive a briefing on the state of the budget. It is the first time that the college has ever fully opened its budget and explained its components to the union. The data are complex and confusing, and even after participating in the full session faculty have only a general sense of the dollars involved or the issues related to them. An hour after the session starts, Holmes and the state union representative enter and join the meeting.

In an informal discussion later that week, Holmes notes that things are going well in bargaining, but that the critical action will occur when discussion turns to money, in particular the union's response to the administration's salary offer. Holmes thought that if the administration's offer wasn't satisfactory, a militant show of union strength might convince the local funding agency to put more money into the campus. However, at present there does not appear to be much campus interest in bargaining or any chance that a strike call would succeed; a union meeting the previous week to answer faculty questions had drawn only five people.

Eleventh Session, April 1

An open area near the bargaining conference room is filled with tables covered trays of food. The president drops by the conference room before the session starts and describes with pride a series of banquets for local dignitaries being served by the restaurant management program. He mentions again the desirability of a new staffing model for the college based on the restaurant management model. The bargainers straggle in, and there is discussion about the continuing culinary successes of the hotel management program.

As negotiations begin, the bargainers go "off the table" to informally discuss the report of the joint study committee on retraining which had been previously submitted. The session is spent in discussing a number of problematic technical aspects of the report for which no clear solutions or definitions are available. Various team members take turns in mediating a series

of sharp exchanges between Powers and Taylor. Members of both teams realize that the report has many desirable features that might be lost if more clearly defined or extensively negotiated. An administration member says "We should be careful about this. Let's not screw up what we have done. Let's not let the report get into negotiations so that we lose a lot of it." A union bargainer agrees: "We've got a good thing here. We don't want it to get screwed up on technicalities."

Twelfth Session, April 7

The session begins as Powers says "Let's put some of the things we've been talking about to bed, such as retraining." Discussion begins on whether parts of the retraining proposal should be in the contract or in institutional policy, but the administrative team members disagree among themselves and they caucus. The costs and benefits of including or excluding certain items from the contract are not clear-cut, and both positions are argued before they reach internal agreement. Meanwhile, the union caucus is engaged in an identical discussion. In addition, the union considers making demands that exceed the recommendations of the joint committee, an action that would almost certainly doom the entire proposal.

When the parties return to the table, they decide to discuss retraining again at their next session, and everyone begins studying their calendars. Powers is not free next week, and it turns out that there are no afternoons or evenings free for everyone for some time; faculty are teaching, the administration has other meetings, and one of the bargainers is enrolled in a degree program elsewhere that requires a period of field training. The next meeting cannot be scheduled for three weeks.

Thirteenth Session, April 29

Powers begins this session by asking if everyone had received a copy of the budget he had sent them. No one had. He then went on, "at the last meeting we said we would discuss certain things at this meeting." He pauses and begins shuffling through papers and there is complete silence for two minutes. Then he asks, "which shall we attack?" A suggestion is made, and they begin to argue about the wording of the proposals on the table. After 25 minutes, one of the union members leaves to give an examination. Discussion on the proposal abruptly ends, and Taylor says "How about retraining? At this time I would like to indicate that the union accepts the retraining report as presented." Powers looks up, wide-eyed and says "Well, that's a curve ball - maybe we should caucus!", and there is laughter around the table.

Fourteenth Session, May 20

The administrative team meets with the president and academic vice president before the bargaining session to discuss the retraining proposal. The confusions and disagreements of opinion between them are no less than those seen between the faculty and union at the table. At several points the president is called away to extended telephone calls, and so cannot hear or

participate in the discussion. The group begins talking about a cake, the size of a football field, that is about to be prepared by the restaurant management program in the local convention hall for the 4th of July celebration. The cake will clearly symbolize yet another triumph of the program, support the administration's argument that all faculty should have contracts similar to those of the hotel management instructors, and generate favorable publicity for the college.

When bargaining starts, Powers begins by saying "I'd like to look at three items and see what else is open." Taylor picks up the suggestion to list open items and says "we also have the dental plan and sick leave." Holmes seems confused about the sick leave issue, and Taylor gives him a copy of the proposal. Holmes reads it, frowns, and is clearly displeased; he says sarcastically "Who's proposal is this?" "Ours," responds Taylor, his union colleague. "Oh," says Holmes, dropping the topic.

Holmes goes on: "If we could sign off on any of these it would make it easier on all of us. My memory is failing." In fact, the length and complexity of the negotiations is such that the bargainer's expedient of keeping their loose papers in manilla folders is causing great problems. Holmes begins to look at various pieces of paper in front of him to see whether there are other open items. He notes that the restaurant management and agency shop issues are still open. Powers continues listing open items, and finally says "You know what? Everything is open!" Holmes replies, "It's discouraging. I think we're making progress, but we haven't finished off things." By this time, Powers has written down a half-page list of open items, and it is obvious that although the parties have been meeting for the past five months, nothing has been formally resolved.

The session turns its attention to proposed promotions criteria, schedules, and forms. Taylor becomes upset when he notes that one of the administration's proposed promotions forms is "certainly a major change from what we've used before;" in fact it is identical, but a secretary has forgotten to copy its back as well as its front side. When Taylor asks for still more schedule changes, it suddenly becomes clear that because a large number of dates and combinations had been suggested at various times, everyone has a somewhat different set of numbers in front of them. While there is a blackboard in the room that could serve as a common reference, no use is made of it. The dates are finally resolved, and some minor issues are settled. Powers says "If we get this article agreed on, we should break a bottle of champagne on it." A few more matters are agreed to, as Powers jumps in and says "Are we done? Are we finished with it yet?" Just as it looks as if everything is completed, Taylor brings up another issue, but everyone senses that it is completed. Conversation peters out, and Powers says "We have an agreement, huh?" Taylor replies "Yes, sort of." Someone begins to raise another issue when the state union representative interrupts and says "Before you start on another matter, finish this one up while it is still in your mind." The parties tie together the various parts of the several documents from which they have been working, and both

chief negotiators initial the section as pasted together. After five months, the parties have resolved the promotions issue and sign their first formal agreement.

Fifteenth Session, 27 May

The major topic of discussion is retraining, and after some discussion, the union asks for a caucus at which they debate two major issues; whether grant-supported persons who are laid off should be eligible for retraining, and whether certain retraining provisions should be in institutional policy or in the contract. The caucus ends without union consensus on either matter. Back at the table, discussion on these points continues, and points previously seen as simple become increasingly complex as both sides use technical possibilities to spin worst-case scenarios. The debate is protracted and quite heated, and the union caucuses again. The same discussion continues in the caucus, and involves several related, but still quite different points. The argument gets louder with constant interruptions of each other's statements, and the level of misunderstanding in caucus is greater than anything seen so far in the bargaining conference. Finally, one union member cuts through the discussion with a one-sentence position statement, to which he asks everyone to respond by simply saying yes or no. All four participants say "yes," and see that in the heat of argumentation they have been in agreement all along without realizing it. Both parties return to the table, agree on minor changes to the document, and initial the retraining section.

Sixteenth Session, June 23

Everyone starts going through the contract and they discover a large number of items still on the table. Some are minor, such as coaches' stipends and dental plan, and some are major such as agency shop and the status of the restaurant management teachers. Powers mentions a particular minor item and asks "Can we get rid of it?" People start looking through their files, but they can't find various things. Taylor can't find any of the administrative proposals, and one of the administrators goes off to make him a copy. There is confusion on both sides as to whether they have or have not agreed on the item. They finally agree on language and initial it, even though Taylor believes that they had previously done so. The bargainers are now flushed with the success of getting rid of an item in an expeditious fashion. Powers suggests another open item that can be resolved and removed from the table. One of his team members says "I thought we had agreed to this too." The difference is related to a non-substantive editorial change, and both sides agree to the revised statement. Powers says "We're narrowing it down to a precious few." Another item is quickly discussed and agreed to. The parties then turn to grievance procedures, an area in which the administration had asked for a number of changes. Powers withdraws all but one of the proposed administration changes. The faculty caucuses, and there is strong disagreement on the team. They finally decide to ask the administration to table the section.

Back at the bargaining conference, Taylor presents the union demand for agency shop, and for including restaurant management teachers in the contract. As they break for lunch, Taylor says, "When we get back from lunch, let's go on to the real problem - money. We think a fair request is 9% [a year]." This is the first statement at the table about money since the union's original written request for 19%, and everyone on both sides knows that the administration has just signed a contract with the middle-management union which provides for increased benefits, but no salary increase in the first year.

After lunch, Powers makes an extended presentation on salary in which he offers the union the same no-increase provisions given to the middle management union. He presents an argument about the financial condition of the college, and offers to share data with the union to convince them of the reality of the situation. He then says "We've got to go the mat for a zero increase [next year]. We hope to raise the base [the following year]." A few moments later he completes the administration's package by saying "An 11.5% increase [5% in the first six months, and 6% more in the second six months] 12 months from now isn't all that bad." After almost seven months of bargaining, the first union salary demand - 9% in the first year and 9% in the second - and the first administration counteroffer of 0% and 11.5% are now on the table.

Seventeenth Session, July 8

The union accepts Powers's offer of a budget presentation, and the session begins with all bargainers except Holmes present. A long discussion ensues during which Powers tries to explain his sense of reality in technical budgeting terms, while the union members respond with lay ideas as if they were balancing a personal checkbook. The union describes a world of available resources but profligate administrative spending, using words such as "surplus" to indicate the differences between college income and faculty salaries, and "overhead" to refer to all administrative costs, while Powers talks about the creative budgeting strategies that have permitted the institution to survive during a period of austerity. After a period of talking past each other, Powers becomes annoyed and says "it doesn't seem to serve us to sit at a table and not have an idea of what the numbers are. I gave you this [budget] book months ago. I doubt that you have read it." And, in fact, there are different languages being spoken.

Two of the union members exhaust their unfocussed questions, and the state union representative starts a different line of inquiry that reflects an understanding of Powers's processes. A dialogue follows in which important questions elicit useful responses. The discussion is generating light, but it is generating heat as well, and as Powers defends the costs of college management and reiterates his unwillingness to make salary concessions, people start yelling across the table. Union members shout "I don't need all this grass and buildings to be a teacher!" and "faculty are what the college is all about"; administrators riposte "there are lots of people who work with students on

campus, not just faculty." And finally from the union "Who's paying to clean up that cake? Is that coming out of my overhead money?"

Of all the comments, this is by far the most bizarre. It is then explained that the attempt by the restaurant management program to produce the world's largest cake on the 4th of July was a fiasco. Not only was it finished nine hours behind schedule, but dirt in the preparation area made it unfit for human consumption. The football-field size cake had to be shoveled up and carted away to local pig farms to be used as fodder. Powers notes with some understatement "We're digressing", and the parties break for lunch.

At lunch, the union bargainers indicate their discouragement with the progress on salaries so far. One comments several times on the sacrifices he has had to make to serve on the team, and it is clear that the faculty were not fully prepared for the enormous commitment of time and energy consumed by the bargaining process.

Eighteenth Session, July 20

This is the second session scheduled to discuss salary and fringe benefits. Powers and Taylor meet privately for two hours before the meeting; as the full session begins, Powers excuses himself to attend another meeting and the union caucuses. During the rest of the day, the union and administration teams never meet face-to-face.

In caucus, Taylor tells the other two union bargainers that Powers has said that despite the lack of funds the administration is considering a 4% raise of base salary effective the second six months of a new contract, with the possibility of an additional 4% each six months thereafter. This 0-4-4-4 is a clear departure from the administration's previous position of 0-0-5-6, but rather than see this as a negotiable counteroffer, the union interprets it as final based on Powers's reported assertion that "the board is adamant on holding the line." The union team tries to calculate the total value of Powers's proposal, but even though this was announced as a salary session, no one has brought a calculator. Using a borrowed calculator, they estimate the salary package to be worth 2% the first year, and 6.1% the second year. When a promised $500 fringe increase is added to the salary proposal, one union member says "I think this is salable." But this view is not unanimous, and one bargainer takes a dirty scrap of paper out of his pocket on which salary increases of 8 to 10% for other colleges in the state are scribbled. One union bargainer believes that the offer is "close to [Powers's] bottom line;" another thinks it is a ploy and they should take Powers's offer "and tell him to shove it." For the first time the bargainers use the blackboard. Two union bargainers stand side by side, each doing different calculations, one trying to show Power's offer in the best light and the other in the worst light. Finally, the group decides that rather than accept Powers's offer, they would declare the negotiations to be at impasse and ask the observer to serve as mediator. Moving between the parties, the mediator finally recommends a settlement that he believes both can

approve. Because of vacations and other conflicts, the parties cannot schedule their next meeting for two weeks. As they disband, Taylor promises to take all his papers home and sort them out so that he will have an accurate record next time of all demands and settlements made so far.

Nineteenth Session, August 3

The session begins with the three-person union team in caucus, debating whether the mediator's proposed salary settlement should be rejected as too low, or whether, as one said, "a bird in the hand was worth two in the bush." They finally agree to accept, and as they prepare to resume bargaining Taylor is seated at the table trying to organize a huge pile of loose papers. He says "We got too many papers. I spent an hour last night sorting them and then they got all mixed up in the car coming over this morning."

The administration team enters, and the six negotiators sit across from each other with everyone leafing through piles of paper, and no one wishing to initiate the discussion. Powers begins by mentioning the need to discuss the salary proposal, and then lists ten additional open items, some of which are quite substantial. Both sides agreed to process all open issues through the mediator, and they move into caucus.

Sitting with the union, the mediator reviews their positions on each of the open issues. On several issues, the union doesn't remember either its own position or the administration response. Documents handed out several months before can't be located, and people have different recollections about what happened. The union agrees to withdraw several items, including their demand that hotel management staff be in the bargaining unit, and to ask for clarification on some others. They stand firm on only one item: they will not agree to a contract that doesn't include agency shop.

The mediator then asks the administration caucus for their positions on the open items. They are not in agreement even on their own demands, and they remove several of their own management proposals which they consider undesirable. On one item, one bargainer says "I don't understand this myself," and another says "Drop it. Just forget it."

Moving back and forth between the parties, the mediator searches for a package that both parties may accept. After further discussion, a final draft is prepared that drops many open items including agency shop. The draft includes a revised salary proposal of 0-4-5-6 that angers the union, and there are threats to declare impasse and walk out because the package would "cost faculty members $2,000 a year." One union bargainer displays a complex calculation showing a $2000 difference between the offer and the outcome promised by the mediator. Now everyone is angry, and they start working on their own calculations. Each uses different numbers and different formulas, and they come up with quite different answers to even the simplest calculations. Finally, the parties locate one, then another, and finally a third mistake, each of which has cumulative effects on the outcome, and

the $2,000 "salary difference" disappears. Taylor says "this really isn't a bad contract. I don't think agency shop is something that we really need that badly." Agreement is reached, and the negotiations end.

## Discussion

Bargaining serves a number of functions. Most obviously it is a process for managing conflict in which elements of rationality and group interaction are focused on reaching agreement on a number of contentious issues. But it is also a vehicle for establishing the status of the participants and the groups they represent, and for confirming and justifying the status quo through having had the experience of trying to alter it. The process is thus both symbolic and conservative. The demands for radical change for which parties assertively press disappear as bargaining moves toward closure. Parties reconsider their own proposals and drop them as they realize that they cannot predict their consequences. The newly negotiated contract turns out in most respects to be identical to the old one. If parties cannot celebrate what they have won, they can at least claim that they have not lost.

The bargaining exchange is also an arena in which the parties attempt to reach consensus on an interpretation of institutional life. Parties enter the process with both inter- and intra-group conflicts and unclear preferences. They are unable to calculate costs and benefits of alternative outcomes because of the complexities of the system, limits to time and attention, and an emotionally charged and adversarial environment that increases reliance on attribution and other processes that contribute to cognitive bias. But despite all of this, agreement finally is reached and codified in a contract. Differences in perceptions of what is real, what is important, and what is achievable narrow through interaction.

### Bargaining in an Anarchy

The characteristics of an organized anarchy are problematic goals, unclear technology, and fluid participation (Cohen and March, 1974). All three properties were present this bargaining encounter.

Problematic Goals. A goal in bargaining can be variously defined as a demand placed on the table, as the realistic expectations of the outcome of that demand, or as a minimally acceptable level of response below which a party would end negotiations. Although goals are aspirations, they are almost always altered during the course of bargaining, and may even be generated out of the bargaining process itself. Both parties had goals that were vague, unclear to themselves as well as to the other side, and not completely accepted by all members of the negotiating team. The union, for example, couldn't agree on whether or not they favored specifying the grounds for grievances, and later said that agency shop, identified as one of their key demands, was in fact unimportant; the administration at the end of

the process removed from the table some of their own demands which they either couldn't understand or found administratively undesirable.

Extended use of caucuses was required because while team members may have agreed on matters in principle, they often disagreed when bargaining required translating these principles into practical written policies. Indeed, the parties could not really understand what their principles meant until they were reduced to specific instrumental language. Parties were likely to be reasonably homogeneous in terms of principles, but much less so in terms of policy choices. The purpose of caucuses was to come to consensus about their goals and the actual meaning of their own proposals.

Unclear Technology. Unclear technology refers to the difficulty in understanding the processing of inputs into outputs. In the bargaining arena, parties were uncertain about the most effective way of structuring the bargaining process, and about the effects of bargaining outcomes on institutional functioning. In both cases, the indeterminate nature of complex social systems made it impossible for bargainers to predict outcomes with any certainty. Everyone had an opinion, but no one really knew the consequences of including or excluding specific items from the contract, the effects of distributing previously unavailable budget data, or the impact of having a state union representative at the table. In the same way, participants disagreed on some of the potential outcomes of a joint study committee report that they eventually approved; not having had the experience of working with its provisions they had no rational basis for assessing its consequences.

Fluid Participation. Fluid participation typified the process from the first meeting. People wandered in and out of the bargaining conferences, caucuses, and joint committees, and the cast of characters changed continuously. Not only was there not a single bargaining team member who was present at all bargaining sessions in their entirety, but there few sessions at which all team members were continuously present. Members arrived late or left early, and interrupted participation for other business. This meant that every participant had a somewhat different view of what had transpired, and these different views permitted parties to develop alternative interpretations of the bargaining process.

The effects of anarchy on bargaining. Although parties entered negotiations with a list of demands, they were unsure of their goals. The bargaining process itself therefore became the means for defining objectives. While it may be true in part that people bargained to get what they wanted, it was equally true that they bargained so that they wanted what they got. This occurred partially through reducing aspirations when they found their initial goals unattainable, and partially as rationalizations for agreements already reached. Attitudes followed, as well as preceded, behavior; bargaining in part may have been goal directed (Bachrach and Lawler, 1981, p.41), but it was equally likely that goals were also bargaining-directed. It was only after failing to achieve their stated goals that the union discovered that agency

shop was not important, and the administration disassociated itself from some of its own proposals.

Lacking clear goals and the ability to understand how individual items interacted with other items, the bargaining exchange tended often to be inchoate. Any item could become attached to any other in the bargaining "garbage can" (Cohen and March, 1974); based on each bargainers experiences and singular views of what had already transpired at the table, each individual could see these relationships in somewhat different ways. As a consequence, discussions often digressed in unpredictable directions and parties found it difficult to sustain attention on any one item. It was only through the bargaining process itself that participants were able to reach common interpretations of which items were important and how they were connected, and therefore to move towards closure.

Loose Coupling

In its tactics, implementation, and outcomes, the elements of bargaining were only loosely coupled to each other and to the institution. Tactically, parties made up lists of demands that they knew would never be accepted, took rhetorical positions that were not followed by actions, and reached agreements that were never implemented. In the bargaining process itself, distributed material was never received, materials received were not read, meetings were not called as planned, and reports were not completed on time.

There were many reasons for the loose coupling between intentions and actions. In some cases, arrangements were of symbolic rather than instrumental value. For example, the early agreement to use a tape-recorder served to display the parties' mutual (and unfulfilled) desire to establish a clear record of their agreements, a signal of intent to cooperate that was important to the relationship but unrelated to substantive outcomes. In other cases, chance events (a secretary's failure to copy both sides of a double-sided document), forgetfulness, or simple incompetence intervened.

It should be remembered that bargaining was not the major activity for any of the participants. In a small institution, it did not, and could not, command their full attention. Faculty had to teach, administrators had other scheduled commitments. Bargaining was delayed, often for weeks, because of an inability to schedule a session at a mutually convenient time. Even for the administration, with its greater experience and access to resources, things did not always go as planned. And the faculty, whose negotiators and team members changed from one year to the next, found intentional action difficult because they had little experience in the negotiation process. The process may appear ineffective and incompetent when compared to the image of bargaining in the industrial sector. But "muddling through" may be a suitable accommodation to an environment in which values of community are as important as those of rationality.

Cognitive Limits and Cognitive Biases

Negotiator cognition has been portrayed as "an act of imagination by which the negotiator cognitively constructs a reality about the negotiation situation" (Bazerman and Carroll, 1990, p. 148). Because of constraints on attention, no participant in bargaining had a complete understanding either of the issues or the process, and the realities created by the partial views of each were quite different. The ambiguity attendant to these differences, the schemas and expectations inherent in their differing roles, and the tendency of competitive groups to form stereotypical views of the other (Birnbaum, 1980), led to cognitive biases that significantly impeded understanding.

The nonrational nature of the process was reinforced by the nature of data, the absence of cognitive aids, and the innate complexity of the task. Few data were available, and those available were under-utilized. Some data, such as the budget, were so complex that they could not be properly understood by most participants. In other cases, data, although available, were not presented by either side. For example, during salary bargaining the only comparative data presented were numbers scrawled on a dirty piece of paper purported to represent the salary increases of comparable colleges. Neither party made use of published and available information that would have broken down salaries and increments for all comparable colleges in the state over a three year period. Simple cognitive aids, such as the use of blackboards to ensure that everyone was responding to the same text, were avoided. Calculators were not brought to the meeting at which salaries were to be discussed.

And the task itself was complex. A number of items were under discussion, each identified by the parties using different indexing systems. The status of any item was confused since, as is true in many bargaining situations, negotiators were unwilling to make commitments on one item outside the context of a whole series of trade-offs. They were concerned about a "total package"; closure on any item was elusive, and everything was likely to remain open until everything was finally resolved because each item was potentially related to each other in some way. And since neither team identified a person with the specific responsibility of tracking the large number of documents that accumulated over time, there could be no agreement on the status of negotiations. The image of Taylor's box of carefully sorted papers accidentally falling to the floor of his car and instantly becoming random and useless at the last session serves as an appropriate valedictory to the bargaining exchange.

Because of the parties' inability to cope with complexity, many things were left undone, and many commitments remained unfulfilled. Much of the interaction was biased by the images of each other that the parties brought to the bargaining table. Because bargaining was protracted and complex, parties often disagreed on what had happened at the table. In an adversarial atmosphere, in which parties knew that each had purposefully misled the other in the past, this could be seen as duplicitous rather than as an expected outcome of complexity.

The bargaining process was itself structured to emphasize differences between the teams rather than their similarities. Each team sat together and at opposite sides of the table, used different vocabularies, and even dressed differently. Each expected the other to be competitive rather than cooperative, and acted in ways that made this a self-fulfilling prophesy. The structures and processes of bargaining led to a number of consequences in the way people thought.

For example, bargainers responded to statements by source rather than content. When they thought a statement had been made by the other side it was discredited; informed that it had been made by their own team, it was accepted. Bargainers were unable in numerous instances to accurately hear, much less interpret, the statements of the other side. In several cases, discussion was prolonged when the clear acceptance of one side by a proposal of the other was not recognized. The effect of competition on the ability to clearly understand and interpret the position of another was demonstrated not only between but also within teams. Team members at times debated at length in caucus before finally discovering that they held identical positions. Under stress, bargainers were unable to make accurate calculations involving simple arithmetic.

Bargainers developed different vocabularies. They discussed the same issue using words with different connotations, so that what would be considered as non-personnel budgets by the administration were referred to by the faculty as a "surplus." As bargaining became more intense, discussion broke down into small subunits, each arguing about a different topic and unable to participate in the discussion of the other.

The process made it almost impossible to reach closure on any issue. The parties continuously broke off discussion when they believed that agreement has been reached, but without testing the other side's understanding of the nature of the agreement. The two teams constantly found themselves in situations in which they thought they agreed with each other even when they didn't; in the same way, members of the same team also misinterpreted the degree to which they agreed on specific items. Neither party appeared to be consciously developing ambiguous positions, and yet even as bargaining ended neither would have been be able to accurately describe the positions of the other.

Nevertheless, whether despite or because of the ambiguity, parties were able to reach agreement by bringing their initially disparate views of reality into closer alignment. The world of the college does not exist as an objective reality of behaviors, budget accounts, or contract clauses, but as the interpretations people make of these artifacts. Different observers may see a decision as reflecting good stewardship or as blatant exploitation, and an action can be viewed by different observers as an overture to collaborate or to compete. Interpretative differences are most likely to occur between uniform teams whose members fill different roles and thus see different aspects of organizational functioning, but they can be seen even within teams. Thus two faculty bargainers could stand side by side at a

blackboard, one arguing that the administration offer was fair and should be accepted, the other that it should be rejected. The interaction of the bargaining arena, which led to the acceptance of a contract, minimized these differences, even if it did not eliminate them.

Improving Bargaining

If bargaining is viewed primarily as a rational process, this study points to a number of areas for improvement. For example, the use of third parties could help. Both the mediator and the state union representative made interventions at various points that helped clarify matters for the parties. Similarly, better record keeping and a means for processing and tracking paperwork could lead to a single identification system and consistent format for documents, as well as a log of agreements as they are developed. Instead of being faced with a mountain of paper sorted temporally by time of arrival, bargainers could have available at each meeting documents grouped by topic, or by contract clause.

The use of computers, for example to enter alternative salary proposals into a prepared spread-sheet template, could help both sides accurately examine the consequences of offers and counter-offers. Salary negotiations offer the most fertile opportunities for improvement, since distributive, or zero-sum, bargaining elements such as salary are usually considered to be the most amenable to rational analysis.

But before suggesting that bargaining should be more rational, it would be useful to consider the benefits of the present system. First, even in the absence of either good record keeping or computers (both of which would require the allocation of additional resources to the process), the parties reached agreement. Third parties were involved in this instance, to be sure, but most higher education contracts are developed without them and (except perhaps when they are part of a research project) they involve additional costs. There is little reason to believe (the rhetoric of the parties notwithstanding) that in the absence of third parties Seaport CC would not have reached an agreement similar to the one that was eventually developed.

Second, the new contract was essentially the same as the old contract, so that both parties had a reasonable understanding of its consequences. It had one creative new provision on retraining whose potential consequences were not fully understood, but which was so complicated that it was unlikely ever to be implemented[2]. And third, it had a salary schedule acceptable to both sides that created a common fiscal reality quite different from the divergent views of budget constraints versus budget surpluses with which the parties began the process. Even in the absence of extensive analysis, the parties through their interaction created a

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[2] A campus leader reported in 1990 that the retraining provision had never been invoked, but that its inclusion in the contract was symbolically important as a representation of administrative concern for faculty interests.

bargaining zone (Walton and McKersie, 1965) in which their explicit targets served as the basis for discussion while they searched for the hidden resistance points of the other. One common expectation in bargaining is that settlement can be predicted to be at the midpoint of the offer of each side (Raiffa, 1982), provided that each offer is accepted as a basis of negotiation by the other (that is, it not so extreme as to cause one side to believe that the other is not bargaining in good faith), and the midpoint actually falls within the potential zone of agreement. In this case, neither the budgets presented by the administration nor the pointed analytic questions by the state union representative affected the outcome, and the "mid-point" heuristic provided a reasonably accurate estimate of the final settlement.

Increased training and experience may offer a more fruitful approach to improving bargaining effectiveness than increased rationality. Training in the processes of negotiations could help parties be more reflective about their relationship and sensitive to the pitfalls of common cognitive biases. Experience could help reduce unrealistic expectations, diminish reliance on ideology, and help participants interpret patterns of behavior that mark the various stages of the negotiations process. This suggests that unions reconsider the common practice of changing their negotiators each year. The fact that parties to academic bargaining are often not experienced makes it likely that they will misread the intentions of the other. Bargaining proceeds through a staged sequence beginning with the presentation of strong positions, moving to an assessment of the potential range of settlement, and culminating in a movement toward closure (Douglas, 1962). Bargaining proceeds smoothly when parties can synchronize their transitions between those stages, and may be disruptive when they cannot. For example, the initial administration offer of no increase in the first year was clearly a first-stage offer. But when Powers offered a small increase in the second half of that year, indicating an interest in assessing the potential settlement range, the union initially misinterpreted it as the continuation of an adamant position that justified declaring impasse.

Increasing rationality may have positive consequences for bargaining at some institutions at some times, but given the anarchical properties of higher education systems it may be of relatively little importance most of the time. Bargaining as it is now conducted may be particularly congruent with the organizational characteristics of colleges and universities, and reliance on heuristics and short-cut measures rather than rationality may produce satisfactory, if not optimal, results (Bazerman and Carroll, 1990) at relatively low cost. We should not be surprised if, in colleges and universities, much of the bargaining process most of the time had symbolic rather than instrumental value, negotiations confirmed and stabilized ongoing organizational structures and processes as much as they altered them, and extended discussion and sharp rhetoric led to non-surprising outcomes.

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